



NEW SOLIDARITY International Press Service

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LATE EVENING NEWS

FEBRUARY 11, 1976

I. AUSTERITY BULLETIN

MASSIVE ATTACK ON THE DOLLAR

FEB. 11 (IPS)—THE COLLAPSE OF THE SECONDARY EUROPEAN CURRENCIES TRANSFORMED ITSELF INTO A GENERAL RUN AGAINST THE DOLLAR TODAY AS SEVERAL BILLIONS OF DOLLARS EXCHANGED HANDS ON THE INTERNATIONAL MONEY MARKETS TODAY. THE DEUTSCHMARK ROSE BY .6 PER CENT AGAINST THE DOLLAR, THE SWISS FRANC BY 1 PER CENT, AND EVEN THE EMBATTLED FRENCH FRANC ROSE AGAINST THE DOLLAR.

IN NEW YORK, WHERE THE MAJOR MONEY CENTER BANKS OPENED THEIR FOREIGN EXCHANGE TRADING HOURS, ONE SOURCE EXPLAINED THE SITUATION: "EVERY FRENCH COMPANY, BANK, PRIVATE CURRENCY HOLDER, THE SAME FOR SWEDEN, NORWAY, DENMARK, SPAIN, EVERYWHERE, IS SELLING OFF FRANCS OR LIRA, THEIR OWN CURRENCY, FOR DOLLARS, THEN DUMPING THE DOLLARS FOR GERMAN MARKS OR SWISS FRANCS. THE ARABS HAVE SOLD HEAVILY DOLLARS FOR DEUTSCHMARKS...DRESDNER BANK IN FRANKFURT HAS 11 TRADERS AND THEY ARE ALL SELLING \$15 MILLION A MINUTE, I'VE SEEN A BILLION, NO SEVERAL BILLION DOLLARS SOLD HERE. CHASE, CITIBANK, MANUFACTURERS HANOVER, THEY'RE ALL SELLING DOLLARS. THIS IS INSANE."

ANOTHER NEW YORK TRADER STATED THAT FEDERAL RESERVE BUDGET SUPPORT FOR THE DOLLAR WAS HOPELESS. "THE FED? THE FED IS PISSING IN THE WIND," HE SAID. "DRESDNER BANK AND CITIBANK IN FRANKFURT ALONE COULD WIPE OUT THE BUNDESBANK AND THE BANK OF FRANCE IN A WEEK. NOT EVEN THE FED COULD STOP THEM."

A LEADING MIDWEST BANKER CONTINUED TO HOPE THAT THERE COULD BE A GENERAL RESTRUCTURING OF THE EUROPEAN CURRENCY VALUES TO EASE THE PRESSURE. "WE ARE LOOKING FOR A REVALUATION OF THE DEUTSCHMARK AND A DEVALUATION OF THE FRENCH AND BELGIAN FRANC," HE SAID. AS FOR WEST GERMAN OPPOSITION TO REVALUATION OF THE DEUTSCHMARK WHICH WOULD DESTROY WEST GERMAN EXPORTS AND CAUSE MASSIVE INFLATION: "EACH TIME THEIR CURRENCY IS REVALUED THEY SCREAM THEY CAN'T LIVE WITH IT. THEY'LL JUST HAVE TO."

FRENCH, WEST GERMAN CENTRAL BANKS CONCLUDE AGREEMENT AGAINST CURRENCY RESTRUCTURING; RUMORS OF DOLLAR DEVALUATION CIRCULATE

NEW YORK, FEB. 11 (IPS)—THE CENTRAL BANKS OF FRANCE AND WEST GERMANY — THE BUNDESBANK AND THE BANQUE DE FRANCE — HAVE CONCLUDED A "MUTUAL AID MEASURE" TO PREVENT A DEVALUING OF EUROPEAN CURRENCIES, ESPECIALLY THE FRENCH FRANC, AGAINST THE DEUTSCHMARK, ACCORDING TO FRENCH RADIO REPORTS TODAY. AT THE SAME TIME THE TOP SECRET, PRESS-EXCLUDED BANK FOR INTERNATIONAL SETTLEMENTS MEETING OF EUROPEAN CENTRAL BANKS WHICH ENDED TODAY IN BASLE,

SWITZERLAND, BANK OF ITALY GOVERNOR BAFFI PRESENTED A PROPOSAL FOR THE DEFENSE OF THE LIRA, ACCORDING TO THE ITALIAN DAILY LA STAMPA, DID NOT PRESENT DETAILS BUT ADDED THAT BAFFI WILL CONSULT PERSONALLY WITH THE BUNDESBANK AND THE BANK OF ENGLAND ON HIS PLANS. WITH THESE MOVES AWAY FROM ATLANTICIST-ORDERED CURRENCY RESTRUCTURING, A TOP NEW YORK EXCHANGE TRADER CONFIRMED THAT THERE ARE WIDESPREAD RUMORS THAT THE BASLE MEETING WOULD DECIDE AGAINST THE DOLLAR AND THAT THERE WOULD BE A SIGNIFICANT DOLLAR DEVALUATION AGAINST THE EUROPEAN CURRENCIES AS EARLY AS THIS WEEKEND.

II. PRIORITIES

"ACTION COMMITTEE FOR NATIONAL INDEPENDENCE" FORMED IN FRANCE AGAINST GISCARD

FEB. 11 (IPS)—A GROUP OF PROMINENT GAULLIST POLITICIANS AND MILITARY FIGURES HAVE ISSUED AN APPEAL FOR THE FORMATION OF AN "ACTION COMMITTEE FOR NATIONAL INDEPENDENCE" WITH FRENCH COMMUNIST PARTY (PCF) COLLABORATION TO SPEARHEAD A BROAD-BASED COALITION TO TAKE POWER OUT OF THE HANDS OF ATLANTICIST PRESIDENT GISCARD D'ESTAING AND HIS NOMINALLY GAULLIST PRIME MINISTER JACQUES CHIRAC. THE CALL, REPRINTED IN TODAY'S PCF DAILY L'HUMANITE, CALLS ON POLITICAL FIGURES TO "OVERCOME PRESENT POLITICAL BARRIERS" IN VIEW OF THE "SERIOUS THREAT" POSED TO FRENCH NATIONAL INDEPENDENCE BY THE GISCARD-BACKED PROPOSAL FOR THE ELECTION OF A "SUPRANATIONAL" EUROPEAN PARLIAMENT "ACCORDING TO THE WISHES OF BELGIAN PRIME MINISTER TINDEMANS.

TODAY'S RIGHT-WING DAILY FRANCE SOIR WARNS GISCARD THAT THE GAULLISTS ARE DISILLUSIONED WITH HIS PROMISES OF AN "ADVANCED LIBERAL SOCIETY" AND ARE "MOVING TOWARDS THE COMMUNISTS."

THE SIGNERS OF THE CALL REPRESENT ELEMENTS FROM WIDESPREAD LAYERS: MILITARY FIGURES SUCH AS GENERALS GALLOIS AND BINOCHÉ; REPRESENTATIVES OF THE PRESS INCLUDING THE DIRECTOR OF THE GAULLIST REVIEW "L'APPEL"; PARLIAMENTARY FIGURES JEAN CHARBONNEL, PIERRE GODEFROY AND OTHERS; LEFT-WING CATHOLIC CLAUDE BOURDET WHO WAS ALSO THE FOUNDING MEMBER OF THE NATIONAL COUNCIL OF THE RESISTANCE AGAINST THE NAZIS, AND MICHEL LANGUIGNON, NATIONAL SECRETARY OF THE PCF-CONTROLLED MOVEMENT FOR PEACE.

IN A PARALLEL MOVE, CHARBONNEL HAS ALSO ANNOUNCED THE CREATION OF A COMMITTEE CALLED "CORREZE FUTURE" TO STOP THE "ROTTING" OF THE UDR (GAULLIST) PARTY IN THE CORREZE REGION, ACCORDING TO TODAY'S FRENCH PRESS. THIS IS A STRAIGHT-FORWARD MOVE AGAINST PRIME MINISTER CHIRAC, WHOSE REGIONAL BASE OF POWER IS THE CORREZE REGION, WHERE CHARBONNEL HAS BEEN ELECTED A DEPUTY TO THE NATIONAL ASSEMBLY. CHARBONNEL STATED THAT HE INTENDS TO EXTEND THIS FORMATION FROM A REGIONAL TO A NATIONAL LEVEL.

GAULLIST LEADERS SCORE GISCARD'S VERSION OF THE TINDEMANS PLAN

FEB. 11 (IPS)—IN THREE SEPERATE STATEMENTS RELEASED TODAY, GAULLIST LEADERS ETIENNE BURIN DES ROZIERIS, FORMER PREMIER PIERRE MESSMER, AND GASTON PALEWSKI SUCCESSIVELY ATTACKED FRENCH PRESIDENT GISCARD'S PROPOSAL FOR THE ELECTION OF A "SUPRANATIONAL" EUROPEAN PARLIAMENT. BURIN DES ROZIERIS, FORMER GENERAL SECRETARY TO THE PRESIDENCY UNDER DE GAULLE, STATED IN A SPEECH BEFORE THE

(MORE)

CHARLES DE GAULLE INSTITUTE THAT THROUGH THE EUROPEAN PARLIAMENT "FRANCE IS BEING INVITED TO FALL INTO LINE WITH ITS (EUROPEAN) PARTNERS BEHIND THE UNITED STATES." BURIN DES ROZIER'S STATEMENT WAS REPORTED IN THE FRENCH COMMUNIST PARTY DAILY L'HUMANITE.

ALSO REPORTED IN L'HUMANITE TODAY WAS A STATEMENT BY PIERRE MESSMER WHO WARNED THAT UNDER THE PROVISION TO ELECT THE EUROPEAN PARLIAMENT THROUGH DIRECT UNIVERSAL SUFFRAGE, SMALLER ATLANTICIST COUNTRIES WOULD EFFECTIVELY BE ABLE TO IMPOSE THEIR VIEWS IN DEFENSE AND FOREIGN POLICY MATTERS ON FRANCE. MESSMER CALLED FOR BILATERAL NEGOTIATIONS BETWEEN MEMBER STATES TO BROADEN THE POWERS OF THE EEC (COMMON MARKET) RATHER THAN PROCEED VIA SUPRANATIONAL INSTITUTIONS.

IN A SPECIAL ARTICLE IN THE DAILY LE MONDE, GASTON PALEWSKI A FORMER MINISTER IN DE GAULLE'S GOVERNMENT, ALSO CRITICIZED THE EUROPEAN PARLIAMENT PROJECT. THE EXECUTIVE COMMITTEE OF THE UDR WILL MEET TOMORROW MORNING TO DISCUSS THE EUROPEAN PARLIAMENT PROPOSAL AND FOREIGN POLICY ISSUES.

MORO "MONO-COLOR" NOT FORMED YET

ROME, FEB. 11 (IPS)—DESPITE WIDESPREAD INTERNATIONAL REPORTS THAT ITALIAN PRO-AUSTERITY PRIME MINISTER ALDO MORO HAS FINALLY SUCCEEDED IN FORMING HIS MINORITY, CHRISTIAN DEMOCRATIC PARTY-ONLY "MONO-COLOR" GOVERNMENT, LATE RADIO REPORTS HERE STATED THAT "MORO WAS NOT ABLE TO PRESENT HIS LIST OF MINISTERS TO PRESIDENT LEONE TODAY." MORO'S CONTINUING JUSTIFICATION IN FINDING CHRISTIAN DEMOCRATIC LEADERS TO FILL THE POSTS OF THE OUTGOING REPUBLICAN PARTY MINISTERS UNDERSCORES THE SHARP DIVISIONS IN THAT PARTY OVER MORO'S U.S. BANK-DIRECTED FASCIST AUSTERITY POLICIES.

SOVIET TRADE OFFICIAL: USSR-ITALY TRADE CAN BE INCREASED THREE-FOLD

FEB. 11 (IPS)—TRADE BETWEEN THE SOVIET UNION AND ITALY COULD IMMEDIATELY BE INCREASED THREE-FOLD, WITH THE CONTRIBUTION OF SMALL- AND MEDIUM SIZED INDUSTRIES, BORIS BORISOV, HEAD OF THE SOVIET ALL-UNION CHAMBER OF COMMERCE, TOLD A CONFERENCE IN MILAN ORGANIZED BY THE SOVIET-ITALIAN CHAMBER OF COMMERCE, YESTERDAY. ACCORDING TO TODAY'S IL FIORINO, BORISOV OUTLINED THE SEVEN-FOLD INCREASE IN SOVIET TRADE WITH ITALY SINCE 1960, AND STATED THAT 1975-76 REPRESENTS A THIRD STAGE OF DEVELOPMENT OF TRADE BETWEEN THE TWO COUNTRIES.

NEUES DEUTSCHLAND: "THERE IS EITHER A DICTATORSHIP OF THE PROLETARIAT OR A DICTATORSHIP OF THE BOURGEOISIE"

FEB. 11 (IPS)—WRITING IN NEUES DEUTSCHLAND, THE GERMAN DEMOCRATIC REPUBLIC DAILY TODAY, DR. HERBERT WOLFGRAM STATED THAT "THERE IS EITHER A DICTATORSHIP FOR THE PROLETARIAT OR A DICTATORSHIP OF THE BOURGEOISIE." LEAVING NO DOUBT THAT HE HAD IN MIND THE RECENT DECISION OF THE FRENCH COMMUNIST PARTY TO ELIMINATE THE CONCEPT OF THE DICTATORSHIP OF THE PROLETARIAT FROM ITS PARTY STATUTES, WOLFGRAM STRESSED THE NECESSITY OF THE DICTATORSHIP FOR THE PROLETARIAT IN SOCIALIST CONSTRUCTION AND CITED MARX'S CRITIQUE OF THE GOTHA PROGRAMME AND ROSA LUXEMBURG'S 1918 PROGRAM FOR THE COMMUNIST PARTY OF GERMANY, BOTH SCATHING ATTACKS ON BETRAYALS AND ROTTEN THEORETICAL COMPROMISES BY THE SOCIALIST MOVEMENT.

(MORE)

CZECH PAPER SEES SWAMP IN PCF

FEB. 11 (IPS)—THE CZECHOSLOVAK COMMUNIST PAPER RUDE PRAVO, FEB. 9, SAID THAT THE FRENCH COMMUNIST PARTY'S DECISION TO STRIKE THE CONCEPT OF THE "DICTATORSHIP OF THE PROLETARIAT" FROM ITS PROGRAM WAS RELATED TO THE ABSENCE OF EXPERIENCED COMMUNIST CADRE AT THE PARTY CONGRESS WHICH MADE THE DECISION. OF THE 522 DELEGATES TO THE PCF'S JUST-ENDED CONGRESS, WROTE RUDE PRAVO, "283 HAD NEVER TO DATE ATTENDED A SINGLE PARTY EDUCATIONAL COURSE. THE AVERAGE AGE OF THE DELEGATES WAS THIRTY-TWO AND A HALF, AND 6 PER CENT HAD BEEN IN THE PARTY LESS THAN A YEAR."

ORGANIZATION OF AFRICAN UNITY ADMITS PEOPLE'S REPUBLIC OF ANGOLA;
MPLA GAINS IN FIGHTING

FEB. 11 (IPS)—THE ORGANIZATION OF AFRICAN UNITY (OAU) HAS ADMITTED THE PEOPLE'S REPUBLIC OF ANGOLA TO MEMBERSHIP, OAU SECRETARY GENERAL WILLIAM ETEKI MBOUMOUA SAID AT OAU HEADQUARTERS IN ADDIS ABABA, ETHIOPIA TODAY ACCORDING TO EAST GERMAN RADIO REPORTS. UGANDA YESTERDAY BECAME THE TWENTY-SIXTH OF THE FORTY-SIX MEMBER NATIONS TO RECOGNIZE THE PEOPLE'S REPUBLIC OF ANGOLA, ACCORDING TO THE RADIO REPORT, AND OAU MEMBERSHIP IS AUTOMATIC ONCE A MAJORITY OF OAU MEMBER NATIONS HAVE EXTENDED DIPLOMATIC RECOGNITION.

IN THE FIGHTING IN ANGOLA, THE ARMED FORCES OF THE PEOPLE'S REPUBLIC HAVE RETAKEN THE COASTAL TWIN CITIES OF LOBITO AND BENGUELA, AND ACCORDING TO WCBS RADIO IN NEW YORK TONIGHT, THE FNLA/UNITA FALL-BACK CAPITAL OF SILVA PORTO HAS JUST FALLEN, GIVING THE PEOPLE'S REPUBLIC UNDISPUTED CONTROL OVER THE ENTIRE BENGUELA RAILROAD.

NIGERIAN DEFENSE MINISTER I.D. BISALA SAID FROM IBADAN ON THE STATE RADIO THAT NIGERIA WOULD NOT HESITATE TO SEND HER TROOPS TO ANGOLA IF SOUTH AFRICA CONTINUED HER PRESENCE IN ANGOLA, ACCORDING TO THE LONDON DAILY TELEGRAPH FEB. 10. THE TELEGRAPH REPORTED RENEWED SPECULATION IN THE NIGERIAN CAPITAL OF LAGOS THAT NIGERIA WILL SEND TROOPS, AFTER GUINEA'S FOREIGN MINISTER, LANSANA BEAVOGUI, ARRIVED FEB. 9 WITH A MESSAGE FOR THE NIGERIAN CHIEF OF STATE, GEN. MURTALA MOHAMMED. BEAVOGUI SAID THAT GUINEA HAD ALREADY SENT TROOPS TO ANGOLA.

LIBYAN GOVERNMENT SCORES GISCARD POLICY TOWARD MIDDLE EAST

FEB. 11 (IPS)—LIBYAN PRESIDENT MUAMMAR QADDAFI ATTACKED FRENCH PRESIDENT GISCARD'S POLICY OF MASSIVE ARMS SALES IN THE MIDDLE EAST, IN AN INTERVIEW PUBLISHED IN TODAY'S PARIS DAILY LE MONDE. QADDAFI IS IN PARIS FOR A MEETING WITH GISCARD.

QADDAFI PRAISED THE LATE PRESIDENT CHARLES DE GAULLE'S POLICY OF EMBARGO ON SALES OF ARMS TO MIDDLE EAST COUNTRIES IN CONFLICT AND NOTED THAT, UNLIKE GISCARD, DE GAULLE HAD MORE CONSIDERATION FOR "PEOPLE'S RIGHTS THAN PROFITS."

THE LIBYAN GOVERNMENT RECENTLY SIGNED AN AGREEMENT WITH ALGERIA FOR JOINT DEFENSE IN CASE OF MOROCCAN AGGRESSION, WHILE FRANCE HAS BEEN SELLING ARMS TO MOROCCO IN THE MIDST OF AN EXTREME TENSION BETWEEN ALGERIA AND MOROCCO OVER THE FORMER SPANISH SAHARA.

(MORE)

HEAD OF WEST GERMAN DRESDNER BANK PUSHES STRAIGHT SLAVE LABOR FOR WEST GERMAN WORKERS

FEB. 11 (IPS)—LUDWIG POUILLAIN, HEAD OF THE DRESDNER BANK IN WEST GERMANY, HAS DEMANDED THAT "FOREIGN WORKERS" IN WEST GERMANY BE DEPORTED TO THEIR HOME COUNTRIES TO CREATE JOBS FOR GERMAN WORKERS, ACCORDING TO THE BUSINESS DAILY HANDELSBLATT. THE FOREIGN WORKERS, WHO ENTER WEST GERMANY UNDER NAZI-ERA LEGISLATION, WORK UNDER CONDITIONS HITHER TO CONSIDERED UNFIT FOR WEST GERMAN WORKERS.

HANDELSBLATT COMMENTED ON THE SCHEME BY SAYING THAT SUCH EXTREME STEPS MAY NOT BE IMMEDIATELY NECESSARY, BUT THAT THERE "MAY BE LONG TERM MASS UNEMPLOYMENT...AND THE NUMBER OF WORKERS WHO NO LONGER QUALIFY FOR UNEMPLOYMENT BENEFITS WILL RISE." UNDER THESE CIRCUMSTANCES, SAYS THE PAPER, "GERMAN WORKERS WOULD BE WILLING TO DO THE JOBS OF FOREIGN WORKERS."

IRAQ CALLS FOR SUMMIT TO SOLVE FOOD CRISIS IN ARAB WORLD

FEB. 11 (IPS)—IRAQ HAS CALLED FOR AN ECONOMIC SUMMIT TO ESTABLISH COORDINATED REGION-WIDE EXPANSION OF AGRICULTURAL PRODUCTION IN THE ARAB WORLD, ACCORDING TO THE FEB. 9 WEST GERMAN BUSINESS DAILY HANDELSBLATT. HANDELSBLATT REPORTS THAT THIS CALL COMES AMIDST NUMEROUS WARNINGS FROM ARAB COUNTRIES SUCH AS EGYPT, KUWAIT, AND IRAQ THAT THERE HAS BEEN A DRASTIC JUMP IN FOOD IMPORT REQUIREMENTS FOR THE ARAB WORLD.

THE ARTICLE CITES EGYPTIAN AGRONOMIST MUSTAFA AL GABALI WHO REPORTS THAT THERE ARE 16 MILLION HECTARES OF USABLE AGRICULTURAL LAND IN THE MIDEAST, AND ONLY 40 PER CENT OF IT IS USED, AND ASSERTS THAT THE POTENTIAL EXISTS FOR THE MIDEAST TO BECOME A NET EXPORTER OF FOOD.

THE IRAQ PROPOSAL OBSERVES THAT IT IS NOT SUFFICIENT TO TURN THE PROBLEM OVER TO EXPERTS BECAUSE THEY DO NOT HAVE SUFFICIENT POWER TO PUT THESE IDEAS INTO FORCE, AND STATES THAT DECISIONS OF THIS NATURE SHOULD BE TAKEN ON THE LEVEL OF THE HEAD OF STATE. THE COUNCIL OF THE ARAB LEAGUE HAS ACCEPTED THAT IRAQI INITIATIVE FOR A SUMMIT ON REGION-WIDE AGRICULTURAL DEVELOPMENT, ACCORDING TO THE ARTICLE.

EGYPTIAN FOREIGN MINISTER THREATENS NEW WAR AS DIVERSION FROM DEBT CRISIS

FEB. 11 (IPS)—IN AN INTERVIEW LAST NIGHT ON YUGOSLAV TELEVISION, PRO-WESTERN EGYPTIAN FOREIGN MINISTER ISMAIL FAHMI, THREATENED THAT "WE WILL NOT PERMIT THE SITUATION IN BETWEEN WAR AND PEACE TO CONTINUE, SINCE OUR ECONOMY CANNOT STAND WAR MOBILIZATION CONTINUOUSLY." TO RESOLVE THIS UNCERTAINTY, FAHMI DECLARED THAT EGYPT MIGHT ATTEMPT TO "CONQUER THE SINAI MILITARILY," ACCORDING TO THE CLOSELY STATE DEPARTMENT-CONNECTED WEST GERMAN NEWSPAPER SUDDEUTSCHE ZEITUNG.

FAHMI'S WAR THREAT COMES AMID GROWING OPPOSITION IN EGYPT TO THE SADAT GOVERNMENT'S AUSTERITY PLAN TO BE RELEASED FOR

(MORE)

"APPROVAL" TO THE INTERNATIONAL MONETARY FUND WITHIN A FEW DAYS. EGYPTIAN PARLIAMENTARIANS IN A NATIONAL ASSEMBLY DEBATE EARLIER THIS WEEK DEMANDED THAT MONEY FLOWING INTO DEFENSE AND ADMINISTRATIVE GOVERNMENT TASKS TO BE CHANNELLED INTO THE ECONOMY, ACCORDING TO ASSOCIATED PRESS.

DROUGHT THREATENS TWENTY-FIVE PER CENT OF NIGER'S POPULATION WITH STARVATION

FEB. 11 (IPS)--IN AN APPEAL TO THE WORLD FOR HELP, NIGER'S FOREIGN MINISTER MOUMOUNI ADAMOU SAID YESTERDAY THAT 1.2 MILLION OF NIGER'S PEOPLE WILL DIE OF STARVATION IF 200,000 TONS OF FOOD ARE NOT RECEIVED BY MAY. ADAMOU ALSO APPEALED FOR \$2.7 MILLION TO FINANCE A PROGRAM TO FIGHT HORDES OF RATS, BIRDS AND INSECTS WHICH HAVE INFESTED THE NATION IN THE WAKE OF A NEW DROUGHT. NIGER IS LOCATED IN THE SAHEL REGION OF AFRICA.

END OF PRIORITIES OF LATE IPS FOR 2-11-76